



September 5, 2006

TO: Members of the Legislative Fiscal Committee

FROM: Calvin McKelvogue, Chief Operating Officer, State Accounting Enterprise

RE: Monthly Military Pay Differential Report

On May 31, 2003, the Governor signed Senate File 458. Section 21 of the bill provided an appropriation of \$1,810,000 to the Department of Revenue and Finance (or its successor agency) for the primary purpose of paying a pay differential to state employees mobilized in support of various military actions. (Please note that during the 2005 session, the Legislature has amended the original legislation to reduce the funding available for this program. See 2005 Iowa Acts, Senate File 75.) The original legislation also requires a monthly report to the Fiscal Committee of the Legislative Council on the use of the funds. This letter, with insert, constitutes the report for the month ended August 31, 2006, and provides a summary for FY2006.

The DAS-State Accounting Enterprise continues to receive and respond to requests from mobilized and demobilizing state employees. We continue to review documentation required to calculate a potential differential. We also continue to contact all departments where we have identified individuals on military leave and attempted to document current status. The current information related to this program is as follows:

1. Total amount paid under the program since inception in 2003:
- \$ 36,132.30
2. Remaining balance for program:
- \$ 70,202.70
3. Total amount paid in FY2006:
- \$ 6,154.70
4. Total number of employees participating since inception in 2003:
- 19

We will continue to aggressively seek information through a variety of means to assure that all mobilized and returning state employees are aware of the potential benefits provided under the program.

Any questions concerning the information contained in this report may be addressed to Calvin McKelvogue, 515-281-4877, calvin.mckelvogue@iowa.gov.